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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on Regulations  
Relating to Passenger Carriers, Ridesharing,  
and New Online-Enabled Transportation  
Services.

Rulemaking 12-12-011  
(Filed December 20, 2012)

**ASSIGNED COMMISSIONER'S RULING INVITING PARTY COMMENTS ON  
THE CONCEPT OF PERSONAL VEHICLES**

In Decision (D.) 13-09-045, this Commission defined a Transportation Network Company (TNC) as "an organization whether a corporation, partnership, sole proprietor, or other form, operating in California that provides prearranged transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles." Since this decision was issued, the parties have raised questions about the scope of the phrase "using their personal vehicle." Specifically, parties have raised questions as to whether "personal vehicle" requires the driver to own the vehicle, or if the definition is expansive enough to encompass a driver's leasing or renting of a vehicle in order to provide TNC services. The Commission has also learned through public comment and in meetings with certain parties that some TNCs have entered into contractual arrangements with non-regulated entities in order to provide vehicles on a short-term basis to drivers wishing to provide TNC services.

In light of these questions and developments, I believe that it would be appropriate to conduct a further analysis of the "personal vehicle" concept in order to provide guidance to the parties and non-regulated entities as to how

expansively the term “personal vehicle” should be defined. To assist the Commission in this endeavor, the parties are invited to address the following questions:

1. Are there any safety or other public-policy concerns that would arise if a TNC driver were allowed to lease or rent a vehicle to provide TNC services? If so:
  - (a) describe these safety or other public-policy concerns with specificity and with reference to any applicable Commission decision, ruling, general order, state statute, state decisional law, federal decisional law, federal statute, or research that supports each of your concerns; and
  - (b) How can the Commission best address these safety or other public-policy concerns?
2. Should there be a minimum time period in order for a leased or rented vehicle to be driven by a TNC driver to qualify as a “personal vehicle”? If so, what are the applicable statutes or decisional law that support your response?
3. Should the definition of a “personal vehicle” not be tied to a time period but instead be defined by authorized uses? For example, should one requirement of a “personal vehicle” be the explicit authorization of using the vehicle for TNC service in any rental or lease contract?
4. Where alternative definitions are proposed in answer to questions 2 and 3, how will a proposed definition of personal vehicle ensure adherence to the Commission’s existing safety rules regarding vehicle inspections and insurance?
5. Where a non-TNC company offers vehicles for TNC drivers to use, what specific documentation and processes should be required of that company and/or of the TNC so that the Commission can ensure that rules regarding vehicle inspections, trade dress, and insurance are met?
6. Should the Commission distinguish vehicle inspection and insurance rules depending on the source of the vehicle offered on a short-term basis to TNC drivers, such as rental fleets or fleets

- offering peer-to-peer vehicle transactions as contrasted with individual peer-to-peer transactions?
7. What insurance products exist that cover, for a single vehicle, multiple drivers driving the vehicle for periods of less than 24 hours for personal use and for a TNC? Does the insurance attach to the vehicle or to the individual driver? Does the insurance product meet California's legal requirements?
  8. How much time is needed for a TNC to update its inspection, mileage, or other records on a vehicle being used by one or more drivers: (a) for periods of less than 24 hours; (b) on a weekly basis; or (c) on a monthly basis?
  9. How many times a day is it feasible for a TNC to update its vehicle records where a car may be driven by several drivers in a 24-hour period?
  10. What procedures are taken by a TNC to ensure that drivers have current vehicle information in the TNC's records?
  11. What procedures are taken by a TNC when it finds that a driver has not notified the TNC that s/he is driving a vehicle other than the one originally registered by the driver?
  12. How should the Commission ensure that each TNC company and/or company offering leased cars to TNC drivers maintains a proportion of vehicles that are accessible to disabled riders?

Parties wishing to file and serve opening comments shall do so by June 27, 2016.

Parties wishing to file and serve reply comments shall do so by July 11, 2016.

**IT IS SO RULED.**

Dated June 6, 2016, at San Francisco, California.

/s/ LIANE M. RANDOLPH  
Liane M. Randolph  
Assigned Commissioner